

House Amendment 1663

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1 1 Amend Senate File 304, as passed by the Senate, as
1 2 follows:
1 3 #1. By striking everything after the enacting
1 4 clause and inserting the following:
1 5 <Section 1. Section 403.19A, subsection 1,
1 6 paragraph g, Code 2009, is amended to read as follows:
1 7 g. "Withholding agreement" means the agreement
1 8 between a pilot project city, the department of
1 9 economic development, and an employer concerning the
1 10 targeted jobs withholding credit authorized in
1 11 subsection 3.
1 12 Sec. 2. Section 403.19A, subsection 3, paragraph
1 13 c, Code 2009, is amended to read as follows:
1 14 c. (1) The pilot project city shall enter into a
1 15 withholding agreement with the department of economic
1 16 development and each employer concerning the targeted
1 17 jobs withholding credit. However, an The economic
1 18 development board may approve, deny, or modify the
1 19 terms of the withholding agreement. The withholding
1 20 agreement shall provide for the total amount of
1 21 withholding tax credits awarded. The agreement shall
1 22 not provide for an amount of withholding credits that
1 23 exceeds the amount of the qualifying investment made
1 24 in the project. The agreement shall provide for a
1 25 local matching contribution from the pilot project
1 26 city. The amount of the contribution shall be
1 27 determined by the economic development board. An
1 28 agreement shall not be entered into by a pilot project
1 29 city and the department of economic development with a
1 30 business currently located in this state unless the
1 31 business either creates ten new jobs or makes a
1 32 qualifying investment of at least five hundred
1 33 thousand dollars within the urban renewal area. An
1 34 agreement shall not be entered into with an employer
1 35 for purposes of gaining a competitive advantage
1 36 against another community in this state. The
1 37 withholding agreement may have a term of up to ten
1 38 years. An employer shall not be obligated to enter
1 39 into a withholding agreement.
1 40 (2) The pilot project city shall not enter into a
1 41 withholding agreement after June 30, ~~2010~~ 2013.
1 42 (3) An employer entering into a withholding
1 43 agreement shall provide to the pilot project city and
1 44 the department of economic development information
1 45 verifying compliance with the requirements of
1 46 subparagraph (1) of this paragraph "c", including
1 47 information regarding the creation or retention of
1 48 jobs.
1 49 (4) The pilot project city shall provide to the
1 50 department of economic development information
2 1 documenting the total amount of payments and receipts
2 2 under a withholding agreement, including all
2 3 agreements with an employer to suspend, abate, exempt,
2 4 rebate, refund, or reimburse property taxes, to
2 5 provide a grant for property taxes paid or a grant not
2 6 related to property taxes, or to make a direct payment
2 7 of taxes, with moneys in the special fund.
2 8 (5) If an employer fails to comply with the
2 9 requirements of the withholding agreement, the
2 10 department of economic development shall document the
2 11 failure, and the department of revenue shall seek
2 12 repayment from either the employer or the pilot
2 13 project city of the amount of credits withheld
2 14 pursuant to paragraph "b".
2 15 (6) The department of economic development may
2 16 adopt rules for the administration of this paragraph
2 17 "c", including providing for the types of information
2 18 acceptable to verify compliance with the withholding
2 19 agreement. The department of revenue may provide by
2 20 rule for the administration of this paragraph "c",
2 21 including providing for the determination of the
2 22 amount of credits to be recaptured from a pilot
2 23 project city or an employer under an agreement.
2 24 Sec. 3. APPLICABILITY DATE. This Act applies to

2 25 withholding agreements entered into on or after July
2 26 1, 2010.>
2 27 [#2.](#) Title page, by striking lines 1 through 3 and
2 28 inserting the following: <An Act relating to targeted
2 29 jobs withholding tax credit agreements by providing
2 30 for compliance requirements of pilot project cities
2 31 and employers and including an applicability date
2 32 provision.>
2 33 [#3.](#) By renumbering as necessary.
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2 37 COMMITTEE ON WAYS AND MEANS
2 38 SHOMSHOR of Pottawattamie, Chairperson
2 39 SF 304.707 83
2 40 tw/tw/24183